(Off the record.)

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as Ι JUDGE SIPPEL: Okay, understand the state of things now, Wallman, and correct me if I'm wrong, but I understand that you are now proffering for receipt into evidence and you're prepared to make a motion to that effect are exhibits that have been numbered, pre-numbered 136 to 143 and those incorporate the complaint and the reply pleadings, with attachments, that were submitted and used were used that connection with the complaint phase of this case which was before the Media Bureau and they precede the hearing designation order.

Is that basically correct?

MS. WALLMAN: Your Honor, that is correct with respect to Exhibits 1 through 143. There were additional exhibits.

JUDGE SIPPEL: I understand. We haven't gotten to that yet, but I'm talking about 136 to 143.

MS. WALLMAN: 136 to 143. That's

1	correct, Your Honor.
2	JUDGE SIPPEL: All right, that's
3	one grouping. The other grouping is 144 to
4	150 which is the sworn written testimony of
5	Mr. Herring and the two expert witnesses, or
6	is it three expert witnesses?
7	MS. WALLMAN: Three, Your Honor.
8	JUDGE SIPPEL: Three expert
9 .	witnesses. Is that correct?
10	MS. WALLMAN: That's correct. And
11	then the other three are accounted for by
12	their CVs
13	JUDGE SIPPEL: Say that again?
14	MS. WALLMAN: The other three
15	exhibits, 148, 149, and 150 are accounted for
16	by the CVs and bios of the expert witnesses.
17	JUDGE SIPPEL: Oh, wait a minute,
18	curriculum vitae?
19	MS. WALLMAN: Yes.
20	JUDGE SIPPEL: You have to go slow
21	with me on that kind of thing. But I do know
22	what it is.
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1	(Laughter.)
2	I've just got to get there. CV
3	and bio. All right. That's all very
4	pertinent information.
5	All right, what we're talking
6	about here right now is exclusive. Certainly,
7	the written testimony is going to be received
8	in due course, with opportunity to object, but
9	this is a generic objection to generic
LO	materials that we want to get a ruling in
.1	right up front.
L2	I'm recasting you should really
.3	say for the record, you should make a formal
L 4	motion to receive as your exhibits number 136
L 5	through 143 and then describe generically what
16	they are.
17	MS. WALLMAN: Yes, Your Honor.
L8	JUDGE SIPPEL: Would you make that
L9	motion, please?
20	MS. WALLMAN: Yes, Your Honor.
21	WealthTV moves for acceptance in evidence
22	Exhibits No. WealthTV Exhibit 136 through

1	WealthTV Exhibit 143 and these are with
2	respect to each Defendant, WealthTV's carriage
3	complaint against such Defendant and the reply
4	to such Defendant's answer.
5	(Whereupon, the above-referred to
6	documents were marked as WealthTV
7	Exhibits 136 through 143 for
8	identification.)
9	JUDGE SIPPEL: And attachments to
10	those?
11	MS. WALLMAN: And attachments
12	thereto.
13	JUDGE SIPPEL: Now can you just
14	in connection with that proffer or with that
15	offer, it's a motion, but it's an offer, would
16	you just briefly state what the relevance,
17	what the direct relevance of that evidence
18	would be to the hearing designation order, the
19	issues in the hearing designation order?
20	MS. WALLMAN: Your Honor, in each
21	of these complaints, the Complainant has
22	recounted the facts as known and believed to

be true by the Complainant and the offices of 1 2 the Complainant. 3 These pleadings and attachments were before the Media Bureau and formed the 4 basis of its decision to issue its memorandum 5 opinion and hearing designation order. 6 the attachments are 7 Amona declaration, affidavit, in fact, of Charles 8 9 Herring who will be offered as a witness attesting to his belief in the truth and 1.0 veracity of the accounts in each of these 11 complaints. And they're offered for purposes 12 13 of showing how we got here. Are you offering JUDGE SIPPEL: 14 them for the truth of everything that's -- the 15 complaint is just -- it's done very nicely, 16 but they're allegations, aren't they? 17 They're allegations MS. WALLMAN: 18 that the FCC's rules require to be verified by 19 the person putting them forward and they have 20 been verified through accompanying affidavit 21

of Charles Herring.

1	JUDGE SIPPEL: Well, the verifying
2	affidavit simply says I've read the foregoing
3	and I believe them to be true. That's got
4	nothing to do with that's a verified
5	complaint. I know what a verified complaint
6	is. If you put one in District Court, it's
7	still going to be allegations.
8	MS. WALLMAN: The further
9	relevance of this, Your Honor, relates to the
10	arguments raised in our trial brief which are
11	that the burden shifts upon a finding of prima
12	<u>facie</u> violation of the law.
13	JUDGE SIPPEL: Well, that's an
14	interesting issue, but that's a preliminary
15	issue. I'm not going to lose sight of that,
16	but I'm just trying to figure out what am I
17	supposed to do? I take it these are pretty
18	numerous documents, complaint, reply, and
19	attachments. It's a pretty hefty piece of
20	work. Am I presuming right?
21	MS. WALLMAN: Yes, they are
22	significant in length.

JUDGE SIPPEL: What am I supposed 1 2 to do with them? MS. WALLMAN: Well, Your Honor, if 3 you do decide that the proper rule is that the 4 burden of proof shifts to Defendants, it very 5 likely would be relevant to Your Honor to know 6 what it was that formed the basis of the Media 7 Bureau's decision that there was a prima facie 8 violation. 9 JUDGE SIPPEL: Well, I can read 10 the hearing designation order. It was pretty 11 clear to me what they were thinking. I don't 12 misled by the hearing 13 I've been think 14 designation order. MS. WALLMAN: No, Your Honor, but 15 the materials that they had in front of them 16 are fully constituted by the complaint, reply, 17 and the case of Comcast. Comcast is also 18 moved for admission of their answer. I'm not 19 aware that the other Defendants have done 20 21 that. JUDGE SIPPEL: Well, I don't have

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There's been MR. SOLOMON: Just to clarify, but Comcast, we motion. asked Your Honor to take official notice -and the reason we did that was merely because last fall they had submitted their complaint and reply as their initial proffer of evidence in this case. So we know it's not evidence, but we offered it for official notice in the event that Your Honor chose to accept theirs as But if you rule that official notice. which we think is correct, that complaints in those pleadings don't belong as evidence, we will withdraw those exhibits. We will not move to have them admitted. They were simply for defensive purpose.

JUDGE SIPPEL: All right. I'm clear on that point.

But what do you want me to do? Do you want me to go back and read all of those complaints and things and then do a critique of the hearing designation order and then say

1	whether or not you all got it right?
2	MS. WALLMAN: No, quite
3	JUDGE SIPPEL: I'm not even
4	allowed to do that.
5	MS. WALLMAN: Quite the contrary,
6	Your Honor. That's not what we intend to
7	invite.
8	JUDGE SIPPEL: Well, what do I do
9	with it then? You said that you wanted me to
10	have what was the underlying basis for the
11	hearing designation order. If I have it, what
12	am I going to do with it?
13	MS. WALLMAN: If Your Honor
14	decides that the rule that the proper rule
15	is to shift the burden of proof, then
16	conceivably Your Honor would like to know what
17	the record below was. And these complaints
18	and replies and in the case of Comcast, the
19	answer constitute the record below.
20	JUDGE SIPPEL: Wait a minute. I
21	told you very clearly that I am relying upon
22	the hearing designation order. I'm relying on

the hearing designation order as prima facie 1 accurate of what went on before. 2 I'm not the hearing to question anything 3 aoina designation order -- there was a little bit of a scuttle about 60 days, but that's got 5 nothing to do with what went on before. 6 7 That's what's going on now and after. MS. WALLMAN: Correct, Your Honor. 8

But in my experience, even if a reviewing Court and I understand the analogy is not perfect here, but even in the case of a reviewing Court that is relying on a factfinder's opinion, the adjudicator may wish to look at the record that was before those who made the initial determination.

I fully understand that that's in Your Honor's discretion to look at it or not and we offer for what it may be worth to inform Your Honor's view about what was before the Media Bureau when they decided that there was a prima facie case.

JUDGE SIPPEL: Well, you know, I'm

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a little bit of a historian on stuff like this and I don't know whether it's true or not.

Maybe it's apocryphal, but Justice William Douglas had a reputation for calling up the trial record before. He didn't just take the briefs. He wanted the trial record up there to go through the trial record and see what the heck was going on in the case. But I don't think that he really cared that much about the complaint and the answer.

Now evidence is something different. I don't need to do that because what has been done is that the evidence under those complaints and replies have been culled and have been refined and I'm going to basically get the same story, perhaps in a different format, but in a much more efficient way and a more timely way and in a fresh way and in a de novo way.

If I start getting my head cluttered up with what went on before and then have to erase it to find out what's going on

today, I don't think we're really going to advance the case. So I don't know. I still am not -- I still don't have a clear understanding of what relevance to this litigation those materials would have.

Let me hear from Mr. Cohen. Wait a minute, do you have anything more? I'm -- here I am.

MS. WALLMAN: No, Your Honor. I think you've got considered my arguments. It was offered as a source of information to Your Honor and if it's not useful, then I understand your discretion.

JUDGE SIPPEL: Well, I don't want to make it appear as though I'm denigrating the materials. I'm simply saying is that I only want to see what I need to see. I don't want to see anything more because I've got three of these cases lined up. I've got three decisions to get out and if I start messing around with everything and every phase of these proceedings, we're all going to be in

 \parallel trouble.

So let me just leave it at that, but again, I want to be very careful. I am not denigrating the quality or the efficacy of what went on in those complaints and reply briefs. It's just that we are now at a different phase and well, I just keep repeating it.

Let me have a briefing from Mr. Cohen.

MR. COHEN: Just very briefly, Your Honor. You basically have said what I would say, but the materials in this big, fat binder that otherwise would have to go into evidence include complaints and answers which are just allegations.

The affidavits simply -- from the fact witnesses on the Plaintiff's side or the Complainant's side simply say it's true and correct to the best of their knowledge, information, and belief and one of those affiants is not going to be presented here for

of Mr. Palmer, who has been withdrawn. So it has lots of extraneous material.

I mean the fact of the matter is this is a <u>de novo</u> hearing. It's their opportunity to prove their case. This is simply part of the record of this proceeding and it's just not evidence. It's not evidence and if it were considered as evidence, lots of it would be objectionable as hearsay. We'll have to spend a lot of time going through it, page by page. I mean there's a declaration from Mr. Robert Herring. He's not on their witness list. There's an expert declaration from Mr. Palmer. He's been withdrawn. They would be disadvantaged.

There's a declaration from Stacy Gray of iN DEMAND. She is not being proffered as a Defendant's witness. We're on somebody more senior, Mr. Asch. So this is historical. It's how we got here in the same way that in a Federal District Court trial one would not

expect to see the complaint and answer and summary judgment papers and any motion to dismiss submitted into the record as evidence.

So we don't see any reason to admit 136 through 143, and we should get on to the actual evidence which basically covers all of this material.

enough on this. And with all due respect, I really do not take this lightly, but in all due respect, in light of the fact that this is an expedited proceeding and that we're all limited, well, maybe there are some parties that are not limited. But I am limited in my resources and for all of those reasons I'm going to just -- I'm going to have to, as a practical matter, if nothing else, but again, this stuff is going to have relevance.

I mean the bottom line it doesn't have the direct relevance and the direct reliability that the <u>de novo</u> evidence has.

But I am going to deny the motion for the

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receipt into evidence of WealthTV's No. 137 through 143 for the reasons I've stated.

Now if you want to put them in the record as an Appellate Exhibit, I'lk reserve on that. I don't see why it should have to because as Mr. Cohen said, it is part of a generic record and I don't think that you have to burden -- we have to burden the -- everything -- burden the record in this case with it, since it is already in the big record and anybody reviewing it upstairs is going to know what we're talking about. So right now, I'm going to leave it out all together.

MS. WALLMAN: So by way of clarification, you would not receive it as a matter of official notice?

JUDGE SIPPEL: I'll take official notice that there was a complaint and a reply and related papers that were filed in this case prior to the hearing designation order and that they were relied upon by the Media Bureau in issuing the hearing designation

1	order. I mean I'll take official notice of
2	that. But that doesn't make it evidence
3	that is not decisional evidence in this case
4	for me. It's not decision-worthy evidence.
5	It's historical evidence. It's important in
6	that respect, but it's not it's just not
7	going to be part of the decision. So don't
8	refer to it in your findings, please.
9	MS. WALLMAN: Thank you for
10	clarification.
11	JUDGE SIPPEL: Yes, ma'am. All
12	right, now let's where do you want to go
13	next? We can go with the 144 to 150 and then
14	back up to the
15	MR. MILLS: Well, Your Honor,
16	there was this other grouping
17	MR. COHEN: I don't think you're
18	offering. I don't think you're offering
19	anything that's not numbered.
20	MS. WALLMAN: There is the issue
21	of exhibits that were designated C through I.
22	MR. COHEN: Are you offering
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1	those?
2	MS. WALLMAN: Yes, we do intend to
3	offer those.
4	MR. COHEN: Then we have to talk
5	about those.
6	MR. MILLS: This is another group,
7	Your Honor, that has an odd numbering because
8	of historical reasons, but to clarify what it
9	is, this is what was referred to earlier as
10	pleadings that were filed in a different case.
11	MR. COHEN: That's true for C
12	through I.
13	MR. MILLS: For some of them. And
14	just to make it clear, the C, D, E, and F is
15	how they've been labeled.
16	JUDGE SIPPEL: All right, there's
17	nothing wrong with that, as long as it's
18	clear.
19	Could you describe more
20	specifically what that evidence represents?
21	MR. MILLS: This WealthTV's
22	MR. FELD: If I may, Your Honor

1	JUDGE SIPPEL: Yes, sir. Mr.
2	Feld, is that correct?
3	MR. FELD: Yes, sir. Thank you.
4	These documents have been introduced with
5	regard to remedy. The documents in question
6	are a publicly-filed program access complaint
7	of DIRECTV in a separate case and iN DEMAND's
8	answer.
9	The program access complaint of
10	Echo Star which was related, the answer to
11	that complaint. In addition, we have moved in
12	Comcast Corporation's 10Q and 10K filings
13	which are filings for the Securities and
14	Exchange Commission; Time Warner's similar
15	filing in a Time Warner Cable press release
16	reporting their first quarter 2007 financial
17	results including unaudited financial
18	statements.
19	The purpose of these and is
20	there a second binder relevant for these
21	documents?
22	MS. WALLMAN: You've read them all

 \parallel in.

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MR. FELD: These documents. collectively, are introduced for the remedy phase of discussion when we discuss what is the appropriate remedy and this tribunal is permitted to order carriage and to specify terms of carriage. The complaints that have been provided and the answers that are provided were discussions of Mojo in terms which Mojo was offered to DIRECTV and to Echo Star, where the Defendants argued well, these are very fair terms of carriage for the carriage of iN DEMAND programming. I think it was iNHD rather, I'm sorry, where they've argued that this was appropriate rates for the kind of programming they were offering.

Since our argument is that these are substantially similar programming, we think that it is appropriate at the remedy phase to be able to offer evidence as to what an appropriate contract would be and what terms that the Defendants have previously

1	argued that similarly situated programming
2	would be fair.
3	JUDGE SIPPEL: So this is
4	basically, what you're arguing is precedent
5	for the carriage and the terms of carriage
6	that you would be seeking?
7	MR. FELD: Yes, and the
8	Defendants, at least two of the Defendants'
9	own statements in previous or I'm sorry,
10	Time Warner but the statements of at least
11	some of the Defendants previously about the
12	similarly-situated programming with regard to
13	what they thought were fair terms to offer to
14	a third-party carrier.
15	JUDGE SIPPEL: All right. Let me
16	hear from Mr. Cohen on that.
17	MR. COHEN: Your Honor, let me
18	deal with these two groups. C, D, E and F are
19	DIRECTV's and Echo Star's complaints against
20	in DEMAND and in DEMAND's answer. I think at
21	the threshold this will be an issue throughout
22	the day.

1	JUDGE SIPPEL: These are FCC
2	complaints?
3	MR. COHEN: Yes, they are.
4	They're program access complaints.
5	in DEMAND, is not a Defendant in
6	this case. So we have heard multiple times
7	this morning about it's the Defendants'
8	admissions. iN DEMAND is an independent
9	entity of which these Defendants have
10	ownership interests.
11	in DEMAND is not here as a party.
12	They're not represented. There was no party
13	discovery taken from them. They have not
14	appeared and what is said in a complaint by
15	unrelated parties against another non-party in
16	this case is rank hearsay.
17	Mr. Asch will be here. The
18	Defendants' witnesses will be here. If they
19	would like to cross examine any of those
20	witnesses about what terms of carriage were
21	offered by iNHD, not by Mojo, but by iNHD, to
22	these various, these two satellite providers

in an effort to resolve a completely unrelated program access complaint, they can do it. But this is even worse than putting in the pleadings in this case because I can't cross examine Echo Star and I can't cross examine DIRECTV as to the course of dealings.

DEMAND has something to say about it, or they think the Defendants have something to say about it, they can raise those issues and they can try to introduce portions of this during the cross examination, but to say that Mr. Herring who knows nothing about these, has no personal knowledge. There's no foundation for offering it through him. There's no basis for putting these in as exhibits on their direct case and they're filled with extraneous materials.

JUDGE SIPPEL: All right, but that's very significant, but Mr. Feld said -- the bottom line, what Feld said is what previously had been agreed to by the parties

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in other situations was basically the carriage 1 terms and the rates that they were looking for 2 3 here. COHEN: There no MR. was 4 5 agreement, Your Honor. That's why the program carriage complaints or access complaints were 6 · brought. There was no agreement. 7 Well --JUDGE SIPPEL: 8 MR. COHEN: If they would like to 9 introduce into evidence on cross examination 10 what were the terms that were offered by iNHD 11 to DIRECTV and to Echo Star and they establish 12 through an appropriate witness that those were 13 actually the terms, as opposed to what's 14 alleged in a hearsay complaint by DIRECTV and 15 by Echo Star, they can do that. 16 17 You can't just dump a complaint and answer to nonparties into the record, 18 Herring the purportedly through ${
m Mr}$. 19 He doesn't have sponsoring witness. 20 21 firsthand knowledge.

So I'm not saying in the course of

1	this proceeding it's not appropriate for
2	WealthTV to make its argument. We disagree
3	with it, of course, but if they want to make
4	the argument that the rate that should be set,
5	if Your Honor were to order the carriage,
6	which we don't think we'll be able to get to,
7	should be done by reference to what the iNHD
8	rate was in the course of negotiations with
9	DIRECTV and Echo Star. They can try to elicit
10	that testimony either through the Defendants
11	or through Mr. Asch, but not just by dumping
12	in a bunch of documents and claiming Mr.
13	Herring is the sponsoring witness.
14	JUDGE SIPPEL: You're starting to
15	repeat yourself.
16	MR. COHEN: Sorry, Your Honor.
17	JUDGE SIPPEL: I'm not trying to
18	affect your arguments, let me see if I can get
19	something from Mr. Feld on this.
20	I heard you say that all you
21	wanted to do is to use this evidence as kind
22	of a model or a template that would show the